

2 November 1958

STATINTL

Alice

June

Mr. David Rockefeller
Vice Chairman Board of Directors
The Chase Manhattan Bank
Eighteen Pine Street
New York 15, New York

Chris

Dear David:

I was most interested in your letter of 29 October with its enclosure expressing the interest of some of our European friends in the matter of Russian economic warfare and measures to be taken to meet it.

This is a matter which has concerned me for a long while and I venture to enclose a copy of a speech I made on the subject before a meeting of the Chamber of Commerce here which deals with this question. My talk received considerable publicity at the time and the New York Times published it in full.

As you may know, the Business Advisory Council has been doing a study on this general subject and I am venturing to send a copy of your letter and its enclosure to George Wyeth, who is Secretary of the Council, as I think he may want to be in touch with you on this subject.

Sincerely,

[Signature]

Allen W. Dulles
Director

Encl.

cc: Mr. George Wyeth

AWD/c

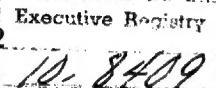
1 - DCI

Approved For Release 2002/02/13 : CIA-RDP80B01676R003800180011-2

(EXHIBITIVE INDEXED BY)

(Note: copy of this letter, basic & ltr to George Wyeth, Rem 2214 M. Bldg.)

STATINTL



The Chase Manhattan Bank



EIGHTEEN FINE STREET
NEW YORK 15, N. Y.

DAVID ROCKEFELLER
VICE CHAIRMAN BOARD OF DIRECTORS

October 29, 1958

Mr. Allen W. Dulles
Central Intelligence Agency
Washington, D. C.

Dear Allen:

You will recall, I am sure, the Conference of European-American industrialists which I attended at the Petersberg Hotel near Bonn early last June and which I discussed with you before my departure. I believe I also sent you a summary of our discussions and conclusions.

One of the points which was of particular interest to our European friends was the matter of Russian economic warfare and what considered steps could be taken by the Western Nations to combat it without destroying free competition or private enterprise. Mr. Leon Bekaert and Baron Boel have followed up our discussions with conversations with Paul Henri Spaak who seems, himself, keenly interested in the problem and is working on some proposal. Encouraged by this, and at Mr. Spaak's suggestion, Fritz Berg has written a letter to the heads of the European Federations of Industry, asking them to take the matter up with their own governments. I thought you might be interested in his letter, a copy of which I enclose. I have also sent copies to the other members of the American group. If you feel that it would be useful for us to pursue the matter further over here, I should be very glad to get your thoughts in the matter. My initial instinct was to let the Europeans take the initiative and see what they come up with, but if you have a contrary view, I should be most interested to learn it.

Hoping to see you soon,

Sincerely,

15-10-1958
Wu/SOP

Dr. J.I. Fitzpatrick
President, Federation of
Irish Manufacturers

9 Ely Place

D u b l i n
Ireland

My dear Colleague,

At the meeting of European and American Industrialists, which took place on the Petersberg last May and which unfortunately you were unable to attend, we had an extensive exchange of views on the problems caused by the economic struggle between the free countries of the West and the countries belonging to the Soviet Bloc. We agreed that the West finds itself in a very difficult situation, in this respect, having to meet economic tactics which can only be applied by a large centrally directed economic bloc and which are largely dictated by political motives. The West is in an inferior position in this struggle, since it cannot - and will not - make economic means and potentials completely subservient to political ends, as is the case in the Soviet bloc.

We were very much concerned with the question as to how we could meet Soviet tactics and strategy in the economic field without sacrificing the principles of free enterprise. While we all, of course, want to maintain free enterprise and free competition as the main spring of our economic system,

- 2 -

I believe there was agreement at the Petersburg meeting that some sort of international arrangements would have to be found in collaboration with governments, in order to protect ourselves against the Soviet economic threat.

As a result of the conversation which took place on the Petersburg, two participants in that conference, M. Léon Bekaert and Baron Boel entered into contact with the Secretary General of NATO, M. Paul Henri Spaak, in order to inform him of our deliberations and to find out his views on the subject. During the conversation M. Bekaert and Baron Boel had with M. Spaak a few weeks ago, the latter showed himself very much interested in the problem which he considers to be of essential importance in the struggle between East and West. In fact, he said that for a long time already he had been preoccupied with finding ways and means in order to place the free world in a better position than it is at present in this struggle. In the presence of our two colleagues, M. Spaak gave instructions to the Delegate Secretary General for Economic Affairs of NATO, Mr. F.D. Greggh, to prepare a memorandum which, after M. Spaak's return from his journey to the United States, is to be sent to all member governments of NATO.

In the course of the conversation with M. Spaak it was also suggested that the presidents of industrial federations should approach their respective governments, in order to draw their attention to the deliberations that took place on this matter at the Petersburg Conference and to inform them of the initiative taken subsequently in contacting the Secretary General of NATO as well as of his intention of sending shortly a memorandum to all member governments, explaining the present disadvantageous position in which the free world is placed in the economic strife

- 3 -

with the East and proposing that it should be examined whether there is no possibility of bringing about a joint action between the governments of the countries in the free world with delegates of the industrial, commercial and financial communities.

I am writing this letter to all my colleagues of the industrial federations of the NATO countries, also belonging to the Council of European Industrial Federations, requesting them to follow the suggestion made during the conversation M. Bekaert and Baron Boel had with M. Spaak and to approach their respective governments correspondingly. This is only a first initiative which will, of course, require further discussion and study between us. I am fully aware that it will not be an easy task to find out the right method by which it is possible to combine our free trade systems with the intervention of an international official organisation, acting more for political than for normal commercial reasons. But I am sure you will agree that this is a matter of essential importance for all of us and I hope, with the cooperation of all, we shall be able to make some headway in this matter soon.

Yours sincerely,

Frits Berg